

AMENDED IN ASSEMBLY JUNE 27, 2005

AMENDED IN SENATE APRIL 13, 2005

SENATE BILL

No. 351

Introduced by Senator Soto

February 16, 2005

An act to amend Section 36621 of the Streets and Highways Code, relating to improvement districts.

LEGISLATIVE COUNSEL'S DIGEST

SB 351, as amended, Soto. Property and business improvement districts.

The Property and Business Improvement District Law of 1994 authorizes a city or county to establish a property and business improvement district and to levy assessments on certain property or business owners for the purpose of providing improvements and promoting activities of benefit to the property or business owners. *Existing law, in order to initiate the process of forming a district, requires a written petition signed by the property or business owners in the proposed district who will pay more than 50% of the assessments proposed to be levied. The petition is submitted to the governing body of the city or county, which may then form the district and levy the assessments according to a specified process.*

~~This bill would require a written petition of at least that number of property and business owners who collectively amount to 50% of the total number of property and business owners in the proposed district and who also will collectively pay more than 50% of the total assessments to be levied before the city or county could form the district the governing body, at a public hearing, to consider and determine the value of any written protests filed against the establishment of the district or the proposed assessments, and would~~

preclude the governing body from establishing the district or levying the proposed assessments if written protests were filed by more than 50% of the number of property ownerships in the proposed district that also represent not less than 20% of the proposed assessments, or if written protests were filed by more than 50% of the business owners in the proposed district that also represent not less than 20% of the proposed assessments. The bill would authorize any person or agency filing a written protest to withdraw the protest at any time prior to the conclusion of the public hearing. The bill would define "property ownership" for these purposes.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 36621 of the Streets and Highways
- 2 Code is amended to read:
- 3 36621. (a) Upon the submission of a written petition, signed
- 4 ~~by at least that number of property or business owners who~~
- 5 ~~collectively amount to 50 percent of the total number of property~~
- 6 ~~or business owners in the proposed district and who also will~~
- 7 ~~collectively by the property or business owners in the proposed~~
- 8 ~~district who will pay more than 50 percent of the assessments~~
- 9 ~~proposed to be levied, the city council may initiate proceedings~~
- 10 ~~to form a district by the adoption of a resolution expressing its~~
- 11 ~~intention to form a district. The amount of assessment~~
- 12 ~~attributable to property or a business owned by the same property~~
- 13 ~~or business owner that is in excess of 40 percent of the amount of~~
- 14 ~~all assessments proposed to be levied, shall not be included in~~
- 15 ~~determining whether the petition is signed by property or~~
- 16 ~~business owners who will pay more than 50 percent of the total~~
- 17 ~~amount of assessments proposed to be levied.~~
- 18 (b) The petition of property or business owners required under
- 19 subdivision (a) shall include a summary of the management
- 20 district plan. That summary shall include all of the following:
- 21 (1) A map showing the boundaries of the district.
- 22 (2) Information specifying where the complete management
- 23 district plan can be obtained.
- 24 (3) Information specifying that the complete management
- 25 district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

(d) (1) At the public hearing, the city council shall consider any written protests against the establishment of the district or the proposed assessments. Any person or agency who has filed a written protest may withdraw that protest at any time prior to the conclusion of the public hearing.

(2) At the conclusion of the public hearing, the city council shall determine the value of the written protests filed and not withdrawn. The city council shall not establish the district or levy the proposed assessments if the city council finds either of the following:

(A) The written protests were filed by more than 50 percent of the number of the property ownerships in the proposed district that also represent not less than 20 percent of the proposed assessments.

(B) The written protests were filed by more than 50 percent of the number of business owners in the proposed district that also represent not less than 20 percent of the proposed assessments.

(3) If the city council, pursuant to paragraph (2), finds that the value of written protests filed and not withdrawn is insufficient to preclude the establishment of the district and the levy of the proposed assessment, the city council may proceed to establish the district and levy the proposed assessment as provided in this chapter.

(4) As used in this subdivision, "property ownership" means any person or agency that owns one or more parcels of real

1 *property in the proposed district. For purposes of this*
2 *subdivision, a person or agency that owns two or more parcels of*
3 *real property in the proposed district shall be considered to be a*
4 *single “property ownership.”*

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